

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 177 – SB 382**

February 11, 2015

**SUMMARY OF BILL:** Authorizes Regional Planning Commissions to accept letters of credit and other methods of assurance, in addition to bonds, for infrastructure improvements before final approval of subdivision plats. Requires the attorney for the county or municipality to pay any monies collected pursuant to the assurance into the respective county or municipal treasury, rather than into the State Treasury, before subsequent disbursement of funds to the construction and installation of the infrastructure improvements. Eliminates the Class C misdemeanor for transferring land before final plat approval of the subdivided land. Specifies that the land owner, or agent, may sell, transfer, or agree to sell any lot or lots on a plat, only after the plat has been given final plat approval by the regional planning commission, and after the approved final plat is recorded in the office of the county register.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Any fiscal impact as a result of monies collected pursuant to the assurance flowing through the respective county or municipal treasury, rather than through the State Treasury, prior to being disbursed for construction and installation of improvements, is estimated to be not significant.
- Authority to accept other forms of assurances may allow for certain projects to break ground sooner under the provisions of this bill relative to when certain projects might break ground under the provisions of current law; however, the fiscal impact resulting from projects breaking ground sooner is considered not significant because the amount to time saved is unlikely to be significant enough to avoid any additional costs that might have occurred in the absence of the bill.
- There will not be a sufficient reduction in the number of Class C misdemeanor prosecutions for state or local government to experience any significant change in revenue or expenditures.
- Based on the information provided by the Department of Treasury and the Department of Finance and Administration, any fiscal impact to state government is estimated to be not significant.

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- Based on the information provided by the County Technical Assistance Service (CTAS) and the Municipal Technical Assistance Service (MTAS), any fiscal impact to counties and municipalities is estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink, reading "Jeffrey L. Spalding". The signature is written in a cursive, flowing style.

Jeffrey L. Spalding, Executive Director

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